

Budgetary Controls

Budgetary control is maintained by each department. Departments prepare draft budgets each June for the next fiscal year with a set of assumptions set by the Finance Department. Budget hearings are then held in August and September by the Common Council. Citizens may voice their comments on the budget at public hearings. Common Council may decrease any budget proposed, but may not increase any budget proposed. The budget must be passed by November 1st of each year.

In December, a final budget hearing, review and modification takes place by the Department of Local Government Finance (DLGF). During this time, there will be time for oversight and public input. Any additional requests must be supported by available cash balances. The final budget order approved by the state is issued in January. The local government has an opportunity for appeal.

In cash basis of accounting, expenditures are measured against available appropriations using encumbrance by purchase orders. Expenditures are recognized in year incurred. In accrual basis of accounting, encumbrance of purchase orders are not recorded. Expenses are recognized when incurred.

The Evansville Municipal Sewer Utility budget runs on a different schedule. Oversight is provided by the Evansville Utility Board and the Indiana Utility Regulatory Commission (IURC). Their schedule runs about a month behind the Civil City budget process before the Common Council. The Evansville Utility Board reviews and approves the budget and the final budget is approved by the IURC.